

Message Text

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PAGE 01 ABIDJA 10770 041328Z
ACTION OPIC-06

INFO OCT-01 AF-10 ISO-00 EB-08 AID-05 /030 W
-----046022 050834Z /14

R 041035Z NOV 77
FM AMEMBASSY ABIDJAN
TO AMEMBASSY YAOUNDE
INFO AMEMBASSY ACCRA
AMCONSUL DOUALA
SECSTATE WASHDC 6055

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DEPARTMENT PLEASE PASS CULMAN AT OPIC

E.O. 11652: N/A
TAGS:
SUBJECT: OPIC OFFICER VISIT

1. FOR JOHN HOLZMAN FROM BONNIE HENDERSON. PLEASE GIVE FOLLOWING
MESSAGE TO JIM BANKS UPON HIS RETURN YAOUNDE SATURDAY OR SUNDAY.

2. FROM B. HENDERSON. I HAD VERY USEFUL MEETING WITH AFDB
(AFRICAN DEVELOPMENT BANK) WEDNESDAY MORNING, ACCOMPANIED BY MATT
HENNESEY U.S. ALTERNATE EXEC. DIR. TO AFDF. MET WITH FOUR
AFDB OFFICIALS INVOLVED IN GHANA PROJECT. OUR PRINCIPAL AFDB
CONTACT IS W.M. GIRMA, DIRECTOR OF OPERATIONS.

3. SINCE THE MEETING YOU AND I HAD WITH AFDB REP IN WASHINGTON
SEPTEMBER, ACCRA PROJECT HAS ENTERED THE ADB "PIPELINE." BUT
THEY HAVE NO REPEAT NO DOCUMENTATION ON PROJECT EXCEPT LIMITED
INFO FROM NIB. THEREFORE, I AGREED TO ARRANGE SEND THEM
FEASIBILITY STUDIES, DRAFT CONTRACTS AND GENERAL AGREE-
MENT, WITH CONCURRENCE NIB, HAI, AND KAISER. PLEASE
DISCUSS WITH ADDO AND GROUP IN ACCRA AND CABLE ME OKAY.
I WILL ALSO CALL PARKINSON ET AL. I WILL DISPATCH ASAP
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BY POUCH TO AFDB. ONCE THEY HAVE DETAILS, THEY WILL
SCHEDULE AN APPRAISAL MISSION. THEY ARE WILLING TO WORK
QUICKLY. WITHOUT MAKING ANY COMMITMENT, THEY DISCUSSED
WITH ME AFDB LOAN OF \$6 MILLION TO COVER FOREX COSTS,
PERHAPS MOBILE EQUIPMENT.

4. ON A PRELIMINARY BASIS AFDB PROJECT AGRONOMIST

EXPRESSED CONCERN WITH 1975 YIELD ESTIMATES OF 4.6 MT PER HA.; BELIEVES THEY COULD BE 25 PERCENT LOWER. ALSO WANTS TO SEE RESULTS OF SOIL AND ENGINEERING STUDIES. I EXPLAINED IRRIGATION REVISIONS MADE BY OPIC CONSULTANT. AFDB ALSO WILL WANT COMPLETE UPDATE OF COSTS. I SAID OPIC DOES ALSO AND WILL ASK FOR THAT NOW THAT WE KNOW IT IS LIKELY AFDB WILL PARTICIPATE. I ALSO SUGGESTED AFDB MEET HAI AGRONOMISTS, SINCE AFDB WANTS TO EVALUATE MANAGEMENT CAPABILITY. I WILL DISCUSS WITH CASE.

5. AFTER APPRAISAL MISSION, PERHAPS AS EARLY AS LATE JANUARY, AFDB REQUIRES ABOUT TWO MONTHS TO WRITE LOAN EVALUATION PAPER, NEGOTIATE LOAN AGREEMENT AND PRESENT PROJECT TO ITS BOARD. THEREFORE, IF WE ALL WORK TOGETHER DILIGENTLY, PROJECT FINANCING COULD BE COMPLETED BY APRIL 15.

6. I DISCUSSED OPIC LOAN TERMS, COMPLETION AGREEMENT, MANAGEMENT AND GENERAL AGREEMENTS WITH AFDB. THEY APPEAR PARTICULARLY INTERESTED IN WORKING WITH OPIC ON PROJECT IN ORDER TO TAKE ADVANTAGE OUR PRIOR ANALYSIS AND FAMILIARITY. ONLY PROBLEM AREAS FOR AFDB PARTICIPATION ARE (A) WHETHER LOAN GOES TO NIB OR DIRECTLY TO PROJECT; (B) AFDB REQUIREMENT OF INTERNATIONAL BIDDING,

AND (C) NEED FOR HAI TECHNICAL PEOPLE TO ROLL UP SLEEVE LIMITED OFFICIAL USE

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SLEEVES AND HELP PUT NUMBERS AND DATA TOGETHER. RE (A), THIS IS MATTER FOR AFDB AND NIB TO WORK OUT. WE SHOULD NOT GET IN THE MIDDLE, EXCEPT TO LET BOTH PARTIES KNOW PROJECT WILL BE MUCH BETTER OFF IF AFDB LENDS DIRECTLY. I DISCUSSED THE POINT WITH AFDB. FYI, THERE IS NO TECHNICAL REASON WHY LOAN CANNOT GO TO PROJECT. PERHAPS WE CAN GET KAISER TO SPEAK UP ON THIS POINT. RE (B), THIS SHOULD NOT BOTHER HAI, AND AFDB IS AWARE OF SHIPPING AND OTHER ECONOMIES IN HAVING MOST EQUIPMENT COME FROM ONE COUNTRY. I SAID THAT SINCE HAI IS MANAGER AND NOT EQUIPMENT MANUFACTURER, IT IS ALSO INTERESTED IN MOST ECONOMIC PURCHASES FOR PROJECT. RE (C), OPIC MUST WORK WITH KAISER AND HAI ON THIS; IT IS ESSENTIAL FOR PROJECT WORK TO BEGIN IN EARNEST ASAP. I THINK AFDB LOAN CAN MAKE THE PROJECT A REALITY IN 1978 IF INVESTORS READY TO PROVIDE THEM WITH NEEDED INFORMATION.

7. PLEASE CABLE ME IN WASHINGTON IF YOU NEED ANY ADDITIONAL INFO OR COMMENT.

8. FOR ACCRA. PLEASE HOLD THIS MESSAGE FOR JIM BANKS, ARRIVING FROM DOUALA.

STEARNS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Nov-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770408-0474
Format: TEL
From: ABIDJAN
Handling Restrictions: n/a
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Legacy Key: link1977/newtext/t19771197/aaaadfeo.tel
Line Count: 117
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Message ID: de92b322-c288-dd11-92da-001cc4696bcc
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 720753
Secure: OPEN
Status: NATIVE
Subject: OPIC OFFICER VISIT
TAGS: EINV, IV, AFDB, (HOLZMAN, JOHN), (HENDERSON, BONNIE)
To: YAOUNDE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/de92b322-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009